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A NOTE ON THE OUTCOME OF THE MID-TERM REVIEW OF THE UNITED NATIONS PROGRAMME OF ACTION FOR AFRICAN ECONOMIC RECOVERY AND DEVELOPMENT 1986-1990 (UN-PAAERD) AND AFRICA'S PRIORITY PROGRAMME FOR ECONOMIC RECOVERY (APPER)

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* E/ECA/PPCR.12/4.

** E/ECA/CM.15/1.

I. INTRODUCTION

1. In accordance with General Assembly resolution 42/162 of 7 December 1987, an Ad Hoc Committee of the Whole of the General Assembly conducted a comprehensive mid-term review and appraisal of the implementation of the United Nations Programme of Action for African Economic Recovery and Development, 1986-1990 (UN-PAAERD) during the period 12 to 26 September 1990.

2. The Committee elected the following officers by acclamation:

Chairman - H.E. Mrs. Inge Dirdal Vraalsen (Norway)

Vice-Chairmen - Mr. Lloyd W. Barnet (Jamaica)
- Mr. Gert Krenz (German Democratic Republic)
- Mr. Simone Tanbulani (Singapore)

Rapporteur - H.E. M.K. Lalo (Zambia)

3. In pursuance of Economic and Social Council decision 1988/134 of 28 July 1988, the Ad Hoc Committee established the following two working groups, which convened on informal basis:

(a) Working Group on the Critical Economic Situation in Africa and the Problems and Constraints facing Africa's Development Efforts;

(b) Working Group on the Response of the International Community, including the United Nations System, and its Commitment to Support and Complement Africa's Efforts.

4. The Ad Hoc Committee had before it the following documents:

(a) Report of the Secretary-General on the mid-term review of the implementation of the United Nations Programme of Action for African Economic Recovery and Development, 1986-1990 (A/45/530, add. 1 and 2);

(b) Note verbale dated 27 June 1990 from the Permanent Representative of the Republic of Sudan to the Secretary-General of the United Nations transmitting the Khartoum Declaration: Towards a Human-Focused Approach to Socio-Economic Recovery and Development in Africa, adopted by the International Conference on the Human Dimension of Africa's Economic Recovery and Development, held in Khartoum from 5 to 9 March 1990, and also resolution 831 (XXIII), adopted by the Fourteenth Meeting of the OAU Conference of Ministers, held in Niamey, Niger from 2 to 6 April 1990 (A/45/43, annexes I and II);

(c) Letter dated 3 September 1990 from the Minister of Foreign Affairs and International Co-operation of Mali addressed to the Secretary-General circulating the document entitled "Mid-term Assessment of the Implementation of the United Nations Programme of Action for African Economic Recovery and Development, 1986-1990", adopted by the Fourteenth ordinary session of the Permanent Sub-Committee of the Organization of African Unity held from 20 to 24 August 1990 (A/45/435);

The report of the Secretary-General indicated that the mid-term review and appraisal of the Programme was taking place against a backdrop of a continuing deterioration in the overall economic situation in Africa. Economic performance during 1986-1989 had been generally disappointing. The gross domestic product (GDP) of the region rose by 1.6 per cent in 1988 and 0.1 per cent in 1987; however, per capita income fell by 2.0 and 2.2 per cent in those years. The United Nations Programme of Action had been an important framework for co-operation between Africa and the international community. Significant initiatives and actions had been taken by both partners within this framework. However, the gravity of the economic situation in Africa and the reduced margins for manoeuvrability by African countries would make it imperative for both partners to take further urgent and decisive measures to accelerate and ensure the effective implementation of the Programme during its remaining term. Reforms that were being undertaken by African countries and the ongoing initiatives by the international community are a beginning. However, efforts by the African countries to pursue and deepen the reform process cannot be sustained indefinitely in the face of an adverse external environment and without increased support from the international community. Low export earnings and the severe debt-servicing burden combined with insufficient concessional finance were constraining growth and hampering recovery and development programmes. Slow economic growth and the short-term costs of reform and adjustment efforts were, in many cases, creating serious social and political difficulties. Quick and imaginative measures were needed to create an external economic environment that would be supportive of Africa's efforts.

II. WORK OF THE AD HOC COMMITTEE

4. The Ad Hoc Committee session lasted one day longer than planned and was marked by intense and delicate negotiations, which finally culminated in adopting by consensus a text submitted by the Chairman of the Committee containing a draft resolution to the General Assembly and an annex entitled "Mid-term review and appraisal of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 and recommendations for the acceleration of its implementation. (E/43/664) The areas where agreement was most difficult were those of debt, commodities and structural adjustment and the interrelationship between the debt, commodities and resource flows issues. Compromises had had to be worked out under the leadership of the Chairman to hammer out a text acceptable to all parties.

5. The Committee's report recognized that the mid-term review and appraisal of the UN-PAAERD was being conducted against a backdrop of a continuing deterioration in the overall economic situation in Africa. The unyielding economic crisis was taking place in spite of the courageous and impressive efforts on the part of the majority African countries to pursue and strengthen significant policy reforms and structural adjustment measures - designed to improve economic performance and bring about accelerated recovery and development - and important initiatives by the international community in support of Africa's efforts, such as the Special Programme of Assistance of the World Bank, the Enhanced Structural Adjustment Facility of the IMF and new bilateral aid commitments. The report concluded "internal constraints and the adverse impact

of exogenous factors, to which African economies are highly susceptible, are impeding the reform process and are severely hampering African development. ... Domestic impediments include the effects of recurrent drought and other natural calamities ..., institutional deficiencies, marketing problems, low capacity for domestic resource mobilization, strong dependency on export income on a limited number of commodities, excessive dependence on imports of consumer goods and production inputs, human resources and population factors, refugee flows, shortage of skilled labour and armed conflicts. The external constraints include weak demand for African exports, low commodity prices, inadequate and stagnating foreign real resource flows, and a high debt and debt-servicing burden.

3. The limitations of structural adjustment programmes featured several times in the report. At one place the report notes that "Experience in the implementation of stabilization or structural adjustment programmes currently instituted has revealed substantial concerns to all the Governments, bilateral donors, multilateral financial institutions and non-governmental organizations". In another instance, the report stated that implementation of structural adjustment programmes do not take into account crucial concerns, such as human, social and political considerations, as well as investment financing needs for African economic recovery and development efforts. It also noted that it resulted in a dialogue on the needs and content of adjustment programmes. This has led to greater understanding of the suitable approaches or the lack of them that such programmes form an integral part of a long-term strategy for economic growth, incorporate a human dimension and do not have an adverse impact on vulnerable groups and would take due account of the specific economic situation and national development priorities in each country.

4. The report observed that while promising reforms have been taken by the African countries and the international community, more is needed to be done by both sides if the programmes is to be successfully implemented. The report recommended that African countries should continue to pursue balanced development of all sectors of the economies concentrating on the sectoral priorities identified in the programmes. Particular attention should also be given to domestic economic management and the effective mobilization and utilization of domestic resources, in particular through the encouragement of savings and action to control or reverse capital flight with the support of the international community and to provide the environment conducive to private investment. Structural adjustment programmes should be designed in such a way as to mitigate their adverse socio-economic effects, ensure that the human dimension is integrated in them, further improve the well-being of the poor and disadvantaged in African societies, notably through reduction of social and developmental expenditures and take short-term stabilization and structural adjustment measures compatible with and built into long-term structural transformation. It was also recommended that African countries should increase their efforts in the search for a viable conceptual and practical framework for economic structural adjustment programmes in keeping with the long-term development objectives and strategies at the national, sub-regional and regional levels.

8. For the international community, the report recommended that financial flows to Africa, in particular concessional flows, should be increased substantially, especially to sub-Saharan Africa, and provided on a continuous, predictable, assured and cash-disbursing basis; bilateral co-financing funds pledged under the World Bank's Special Programme of Assistance for low-income, debt-distressed countries should be made available as soon as possible; and efforts should be optimized to improve the quality of bilateral flows and the co-ordination of donor programmes in close co-operation with the recipient countries. On the issue of trade and commodities, the report recommended that within the context of the preparatory process for the twenty-second session the Secretary-General of the United Nations should establish a group of experts to undertake in-depth assessment of the question of African commodities and to propose concrete measures for action. It also recommended that multilateral activities in favour of the following programmes for the stabilization of trade returns of African countries, along the lines of those on Stabex, should be pursued: the Compensatory and Contingency Financing Facility of the IMF in responding to Africa's short-term external contingency needs; and completion in the shortest possible time the ongoing initiatives to make the Common Fund for Commodities fully operational. On the question of debt, the report stated that every effort should be made by the international community to find long-term durable and growth-oriented solutions that cover various categories of debt, various creditors and various debtor countries, bearing in mind, including those agreed upon at Toronto economic summit in June 1988 should be pursued urgently. It also recommended that "the common position of Africa on alleviating the problem of the continent's external debt adopted by the extraordinary summit at Addis Ababa in November and December 1987 should be taken account of and seriously considered by the international community". The report recommended that Africa's international partners should support the reform efforts of African countries within a broad developmental context which form part of the process of recovery and long-term development and also the ongoing efforts of African countries to strengthen co-operation and the gradual involvement of economic integration in the region.

III. ACTION BY THE GENERAL ASSEMBLY

9. On 17 November 1988, the forty-third session of the General Assembly considered the recommendations of the Ad Hoc Committee and adopted by consensus the draft resolution and the conclusions of the mid-term review of the Ad Hoc Committee. Resolution 43/27 and annex are attached.

10. The introduction of the conclusion stressed that "the Programme of Action provides an important framework of co-operation between Africa and the international community and all parties wish to reaffirm their commitment to the Programme. The continuing gravity of the economic situation in Africa requires that all partners take urgent and decisive actions to accelerate and ensure the effective implementation of the Programme during its remaining period. ... Dealing with the African crisis is a priority concern for the international community and the United Nations. It is therefore a matter of urgency that the promising actions that have been taken by all parties concerned to implement the Programme of Action should be strengthened and accelerated. Sustained and unfaltering efforts made by the African countries must be matched by sustained and urgent efforts by the international community to provide support

to them at the required levels and to create an international environment favourable to the process of reform and restructuring.

11. The General Assembly also decided that the final review and appraisal of the implementation of the UN-PAAERD will be conducted at its forty-sixth session in 1991.

12. In closing the General Assembly debate the Under-Secretary-General, Mr. Javier Perez de Cuellar, stated that it will be the extra effort which the international community must make in the immediate future that will make the crucial difference in attaining these objectives. He also informed the General Assembly that he had also held consultations to implement the recommendation requesting him to establish a group of experts to undertake an in-depth assessment of the impact on African commodities and the scope of export diversification. The terms of reference and the names of the members of the Committee are expected to be announced shortly. The United Nations Steering Committee on the UN-PAAERD and the United Nations Inter-Agency Task Force on the Follow-up on the Implementation of the UN-PAAERD at the Regional Level have already reflected in their programmes of work the decisions of the General Assembly on the mid-term review of UN-PAAERD.

IV. CONCLUSIONS

13. While consensus has been reached on the assessment of the implementation of the UN-PAAERD and the actions that are needed in future, it is important that one should pause to consider some of the trends that emerged during the mid-term review and the implications thereof.

14. No doubt a large and an increasing number of African countries are sobering-up to the negative impact of the economic crisis and have been adopting and deepening policy reforms. Commendable as these initiatives are, it is true that not all African countries have embarked on the process of change, and certainly not all countries have done so with the same degree of vigour and commitment. This and the pervasiveness of the African economic crisis make it imperative for all African countries to take decisive measures to accelerate the implementation of the Programme.

15. It is also equally true that a large number of the reforming countries are largely adopting structural adjustment programmes which are focusing on narrow short-term stabilization and adjustment objectives. The costs of such programmes are becoming increasingly evident and a growing consensus is now emerging on the need to reform the centrality of the human dimension, both during the recovery and the development processes, and to make recovery programmes compatible with long-term balanced development objectives.

16. As ECA often stressed, the very structural crisis of the African economic crisis does not lend itself to short-term solution except by a structural transformation of the African economies. The sooner such a process is put into place, the better and more rapid will be recovery and development. Thus African countries must fearlessly pursue the broader and balanced reform measures

of APPER and the UN-PAAERD which, while generating recovery, would also ensure that the foundations for long-term development would be laid.

17. Because of the openness of the African economies and the resultant harmful consequences thereof, the adverse exogenous factors played a major role in thwarting the recovery process. Declining prices of commodity exports, mounting and increasingly unbearable debt servicing obligations and inadequate and stagnating real resource flows have all combined to arrest any forward momentum towards recovery.

18. The mid-term review also made it clear that a certain degree of donor fatigue has set in, that in spite of the euphoria of the Toronto summit of the seven, substantial debt relief measures are yet to emerge, and that no breakthrough in the problem of African commodities is yet in sight. Another trend that has become discernible is the emerging tendency on the part of the donor community to tie enhanced levels of both bilateral and multilateral resource flows to the conditionality of adherence by the recipient African countries to structural adjustment programmes that are supported by the World Bank and the IMF.

19. Immediately, these disturbing trends necessitate that African countries must exert maximum pressure on their partners to honour their commitments in the UN-PAAERD and provide effective solutions to the vital and interlinked problems of debt, resource flows and commodities. The pressure by the donor community to make the availability assistance and debt relief conditional upon the adoption of IMF/IBRD-supported structural adjustment programmes should be resisted and the pitfalls of such increased conditionality should be exposed. Enhanced levels of African solidarity - in terms of the need for a meaningful exchange of experiences, harmonization of positions and the adoption of a unified stance on these issues - are absolutely vital.

20. Crisis management in perpetuity cannot be substituted for development. The harmful consequencies of the excessive outward orientation of the African economies and the aforementioned unfavourable trends can only confirm the need to hasten the implementation of the structural transformation that is indispensable for meaningful self-sustained growth and development on a durable basis.

21. Barely two years from now APPER and the UN-PAAERD will have come to an end. If their targets are not successfully met, another half a decade will have gone by without an earnest attack on the root causes of dependence and deprivation. This will only complicate Africa's problems and push the solutions further out of the reach of both Africa and the international community. The unique opportunity offered by the UN-PAAERD should be grasped and the momentum generated so far should be built upon by all concerned to ensure that Africa will not forever become dependent on external support.

Economic Recovery and Development, 1986-1990, consisting of an assessment of the responses and measures to accelerate the implementation of the Programme as set forth in the annex to the present resolution;

2. Decides to conduct a final review and appraisal of the implementation of the United Nations Programme of Action for African Economic Recovery and Development, 1986-1990 at its forty-sixth session.

ANNEX

Mid-term review and appraisal of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 and recommendations for the acceleration of its implementation

I. INTRODUCTION

1. The United Nations Programme of Action for African Economic Recovery and Development 1986-1990, which was adopted by the General Assembly in response to the critical economic situation in Africa, is based on mutual commitment and co-operation between Africa and the international community.

2. In the Programme of Action, Africa committed itself to launch long-term programmes for self-sustaining socio-economic development. The international community committed itself to assisting Africa in achieving this objective.

3. The African countries committed themselves to giving high priority to necessary economic reform as mentioned in Africa's priority programme for Economic Recovery 1986-1990 4/ as a basis for sound and sustainable economic development; the establishment and development of agro-industry, other sectors supportive of agriculture; measures to combat drought and desertification, and the efficient development and utilization of human resources.

4. For its part, the international community recognized that the economic recovery and development efforts of African countries must be supported by complementary action of the international community through substantial co-operation and substantially increased support. It was realized that lasting solutions to the serious exogenous constraints, over which Africa has no control, will have to be found since their persistence will impede the efforts of the African countries. It therefore committed itself to making every effort to provide sufficient resources to support and supplement the African development effort. The international community further appreciated that Africa's efforts would be greatly facilitated if flows of external resources were predictable and assured and if the quality and quality of external assistance and co-operation were improved.

4/ A/43/550.

It also recognized that, to bring about an improvement in the external economic environment, the international community should address and examine the external factors that aggravate the African situation, especially in terms of trade and the need to deal urgently with commodity issues and alleviate Africa's debt burden. The Programme of Action equally emphasized the importance for the international community to increase official development assistance to African countries and to improve its quality and effectiveness.

5. The Programme of Action provides an important framework for co-operation between Africa and the international community, and all parties wish to reaffirm their commitment to the Programme. The continuing gravity of the economic situation in Africa requires that all partners take urgent and decisive actions to accelerate and ensure the effective implementation of the programme during its remaining period.

6. In the Programme of Action, the international community recognized the importance for African economic development of genuine peace and security, as well as of the strengthening of international co-operation.

7. The review of action taken to implement the Programme of Action demonstrates that most African countries have adopted significant policy reforms to improve the overall management of their economies. The determination with which African countries are pursuing and strengthening these reforms is courageous and commendable, particularly since in many countries such measures involve severe social costs and political risks. Many countries have also faced continuing climatic problems and natural calamities. The political will demonstrated by African countries and the commendable reform and policy reorientation measures that have been put in place should be sustained. Appropriate reforms should be embarked upon by those countries that have not yet initiated the process. The Governments of African countries should also play a key role in the process of co-ordination of external assistance.

8. For its part, the international community has taken important initiatives in support of the African efforts, through the Special Programme of Assistance of the World Bank, the Enhanced Structural Adjustment Facility of the International Monetary Fund, and new bilateral aid commitments. Resource commitments to Africa for the years 1988-1990 will increase and disbursements will assist countries implementing reforms. Furthermore, it has declared its intention to continue to support the efforts of African Governments to implement the Programme of Action.

9. The reform and restructuring that are being undertaken by African countries and the ongoing initiatives taken by the international community thus constitute an important beginning. However, the overall performance of the African economies remains unsatisfactory. Despite earnest efforts to carry out adjustments in their national economic policies, most African countries have found little reprieve from the harsh impact of climatic

countries and to undermine the internal reform movement. External constraints, and the adverse impact of exogenous factors to which African economies are highly susceptible, are impeding the reform process and are severely hampering African development.

10. Dealing with the African crisis is a matter of priority concern for the international community and the United Nations. It is therefore a matter of urgent need that the pledges and commitments undertaken by all parties concerned to implement the Programme of Action should be strengthened and accelerated. Sustained and unfaltering efforts made by African countries must be matched by substantial and urgent efforts by the international community to provide support to them at the required levels and to create an international environment favourable to the process of reform and restructuring.

II. ASSESSMENT OF THE IMPLEMENTATION OF THE PROGRAMME OF ACTION

A. Response of African countries

11. The United Nations Programme of Action for African Economic Recovery and Development was designed and adopted to provide an important framework for co-operation between Africa and the international community in fostering economic recovery and development on the African continent. The continuing gravity of the economic situation in Africa requires that all partners take urgent and decisive actions to accelerate and ensure the effective implementation of the Programme during its remaining term.

1. Agricultural development

12. Agriculture, on which more than 75 per cent of Africa's people depend for their livelihood, has been a major area of sectoral reform. More countries have given higher priority to channelling resources to agriculture, with the particular aim of making progress towards food security and achieving increased agricultural production. As regards export crops, almost all countries have implemented price incentive measures, and some have adopted measures to liberalize marketing policies, to increase the share of the export value retained by farmers and to bring prices into line with world market levels. A large number of African countries have instituted a wide range of measures to mitigate food emergencies. Approximately half the countries in the region now have various types of national emergency preparedness mechanisms, about 18 countries have early warning systems, and many have set up national food security arrangements.

13. The efforts of African countries to ensure food self-sufficiency and to increase their exports have been hindered, among other things, by the following factors:

(a) The recurrence and persistence of such phenomena as drought, locust infestations and floods;

(c) The decline of international commodity prices at a time when African Governments raised prices for producers;

(e) Competition from food exports that benefit from all kinds of direct or indirect support measures

(d) The inflow of lower-priced agricultural products concurrently with the adoption by many African Governments of import liberalization policies.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

17. African countries have also adopted measures to promote the effective participation of the population in the development process. In so doing, they have put particular emphasis on the role of African women, not only as beneficiaries but also as agents of development. However, as underlined in the Khartoum Declaration, 5/ internal and external constraint may counter the efforts undertaken by Africa to fully develop its human resources, especially in the high-priority fields of health and education.

18. Particular attention has been paid by some African countries to their population policies on the basis of the Kilimanjaro Programme of Action for African Population and Self-Reliant Development 6/ adopted by the Second African Population Conference and endorsed by the Economic Commission for Africa in 1984. 7/ A growing number of countries are putting in place national policies designed to harmonize population growth with economic and environmental capacities, and formulating specific policies and action plans to address population issues in a long-run development perspective. Effective implementation of these policies, however, still faces immense problems, which include a lack of resources, in particular trained personnel, and a low level of public support. Future efforts must focus on overcoming these problems.

5. Policy reforms

19. Since the adoption of the Programme of Action, most African countries have adopted significant policy reforms to improve the overall management of their economies. About thirty countries are undertaking stabilization or structural adjustment programmes in conjunction with the World Bank and the International Monetary Fund. These efforts are intended to improve economic performance, bring about accelerated recovery within the context of the Programme of Action and lay the foundation for self-sustaining growth and development.

20. The determination with which most African countries are pursuing and strengthening economic policy reforms is courageous and commendable, particularly since in many countries such measures involve social costs and political risks. However, reforms have not been adopted by all Governments; nor are they being pursued with equal vigour in all countries. Policy reform takes time to have a demonstrable impact on economic

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5/ A/43/430, annex I.

6/ E/CONF.76/6, annex V.

7/ See Official Records of the Economic and Social Council, 1984, Supplement No. 11 (E/1984/21), Chap. IV.

performance. Available data on the achievement of structural adjustment programmes, while incomplete, suggest that economic reform is beginning to make a positive impact in a number of countries. Nevertheless, in some other countries the impact remains to be fully felt, and the overall economic situation in Africa remains critical. However, there is no doubt that improvement of the economic situation requires that appropriate reform policies and programmes be vigorously implemented and sustained, taking into account the need to improve them continuously.

21. Most African Governments have instituted policy reforms aimed at economic structural transformation and improvement of the overall management of their economies, especially in the following areas: (a) public investment management systems, institutions and practices; (b) public enterprises; (c) reform of public services to make them more oriented towards achieving national development goals; (d) lowering budget deficits and reduction of public expenditure; (e) mobilization of domestic savings and increase in investment; (f) financial and debt management; (g) reduction and reversal, where possible, of foreign exchange leakage, (h) encouragement of the role of the productive private sector and market forces in the efficient allocation of resources; and (i) promotion of foreign trade in general and intra-African trade in particular.

22. Experience in the implementation of stabilization or structural adjustment programmes currently instituted has revealed substantial concerns to African Governments, bilateral donors, multilateral financial institutions and non-governmental organizations, notably:

(a) African Governments need to play the central role in the design and formulation of structural adjustment programmes, including the development of "policy framework papers";

(b) Projections of financial flows, including export earnings, have often been overly optimistic;

(c) The short-term adjustment or stabilization targets of structural adjustment programmes should be integrated with long-term development objectives,

(d) The importance attached to macro-economic indicators should not obscure the need to pay adequate attention to institutional, social and sectoral factors that are critical to the structural transformation of African economies. Supply responses are only partly tied to relative price levels. Market liberalization involves more than just the removal of controls. Strategies of sequencing, timing and complex institutional restructuring are critical to the success of market reform in Africa;

(e) To avoid straining the social, cultural and political framework and to be credible and sustainable, structural adjustment programmes must be designed so as to be sensitive to the internal conditions of the countries concerned. In implementing expenditure reductions as part of

adjustment efforts, care should be taken to ensure that such reductions, especially those in basic health, nutrition, education and other social services are not made in areas where they would worsen the situation of the poorest and vulnerable groups;

(f) Realignment of exchange rates and rises in producers' prices have not always generated the full expected benefits because of structural rigidities that continue to characterize the current stage of development of most African countries. In part this has occurred because African countries have not had the human and financial resources fully to address these rigidities.

23. In spite of all the measures taken, the overall performance of the economies of African countries remains unsatisfactory. Domestic structural problems and adverse exogenous developments, to which the African countries are highly susceptible, have complicated the reform process by restraining overall economic growth. In certain cases, weaknesses in the management and co-ordination of external assistance at the level of recipient countries, and that of bilateral and multilateral assistance agencies, had led to delays in the disbursement and utilization of external resources already available.

24. Domestic impediments include the effects of recurrent drought and other natural calamities such as cyclones, floods and locust and grasshopper infestation in some areas, infrastructural and institutional deficiencies, marketing problems, low capacity for domestic resource mobilization strong dependency of export income on a limited number of commodities, excessive dependence on imports of consumer goods and production inputs, human resources and population factors, refuges flows, shortage of skilled labour and armed conflicts. The external constraints include weak demand for African exports, low commodity prices, inadequate and stagnating foreign real resource flows, and a high debt and debt-servicing burden. Indeed, these constraints, coupled with natural calamities, continue to be major obstacles to economic recovery and development in the region.

25. In Southern Africa, the situation continues to be adversely affected by the policies of political and economic destabilization and acts of aggression pursued by the South African regime against the front-line and neighbouring States. The violence inherent in the system of apartheid has resulted in loss of human lives, the destruction of social and economic infrastructures, the diversion of substantial resources and efforts away from economic development to defence spending, the disruption of economic development and an increase in refugees and displaced persons throughout the region. The United Nations has estimated that losses for the member countries of the Southern African Development Co-ordination Conference for the period 1980-1986 amounted to $US 25 billion-$US 30 billion. These factors have been the main reasons for the sharp decline of economic growth and have consequently undermined development efforts in the region, including the implementation of the Programme of Action.

6. Implementation at the regional and subregional levels

26. At the regional and subregional levels, a number of concrete actions have been taken to promote recovery and development, in particular, as related to the formulation and implementation of joint programmes in the key economic sectors and the strengthening of mechanisms for these efforts. The search for agreements between neighbouring countries on food supplies aimed at ensuring a better complementarity between surplus and deficit zones has progressed. Other important actions have included the establishment of regional network for crop protection and of mechanisms for co-operation among national early warning systems. In 1987 and 1988, a number of key intra-African conferences were convened to review and promote the implementation of the Programme of Action. The major constraints on subregional and regional co-operation have been associated with infrastructural bottle-necks and scarce external financial support to date.

II. Response of the international community

1. Response of other countries

(a) Resource flows

27. In support of the goals of the Programme of Action, the international community has made commitments to provide an increased level of financial assistance to African countries both bilaterally and multilaterally. Net resource flows to Africa increased from $17.9 billion in 1985 to $19.9 billion in 1986 and $22.9 billion in 1987 in nominal terms. However, measured in real terms resource flows were lower in 1986 and 1987 than in 1985.

28. Official development assistance has been a steady and vital source of funding for Africa, accounting for over 73 per cent of net resource flows to the region. Total bilateral disbursements of development assistance to African countries remained relatively constant in real terms in 1986 and 1987. Many donors made substantial increases in their bilateral assistance to African countries. Official development assistance reported by the member countries of the Development Assistance Committee of the Organization for Economic Co-operation and Development, the Organization of Petroleum Exporting Countries and the multilateral institutions increased in current dollars. In sub-Saharan Africa, it rose from $11.7 billion in 1986 to $13.3 billion in 1987, but that reflects no increase when measured at 1986 prices and exchange rates. According to the Organization for Economic Co-operation and Development, export credits to sub-Saharan Africa are estimated to have fallen from $0.8 million in 1985 to $0.4 million in 1986 and to 0 in 1987. The limited data available suggests that other private commercial flows remained unchanged. Member countries of the Council for Mutual Economic Assistance continued their economic assistance to Africa.

29. The multilateral institutions, with the support of bilateral donors, are playing an important role in international efforts to increase financial flows to Africa. Disbursement from the International Development Association rose from $0.9 billion in fiscal year 1985 to $1.2 billion in 1986 and $1.6 billion in 1987. The World Bank initiated a Special Programme of Assistance for the low-income heavily indebted African countries that combines additional disbursement from the International Development Association with additional co-financing by bilateral donors. It is estimated that the programme will increase resource flows to sub-Saharan Africa by about $3 billion over the period 1988-1990. In 1986 and 1987, there was a substantial net transfer of resources from Africa to the International Monetary Fund. In response to the economic situation in African countries, the Fund undertook several initiatives. In particular, members of the Fund reached agreement on an Enhanced Structural Adjustment Facility that will increase the concessional resources available to low-income countries by 6 billion special drawing rights (SDRs) over the period 1988-1990. The African Development Bank reached agreement on a trebling of its authorized capital and on a 50 per cent increase in the African Development Fund. That has enabled it to increase commitments from $2 billion in 1984-1985 to $3.8 billion in 1986-1987. Net disbursements by the International Fund for Agricultural Development increased from $50 million in 1983 to $8 million in 1986. Those new multilateral flows, supported by bilateral donors, constitute a major new commitment of resources to Africa in support of the continent's efforts to achieve sustainable and growth-oriented development. Many parties, in particular the African countries, have expressed dissatisfaction with the methods by which conditionality for adjustment are developed. Efforts are under way to increase the participation of all parties to resolve those differences and such efforts should be reinforced.

30. The contribution of resources has been largely undermined by the growth in debt-service obligations and the decrease in export earnings, resulting in a marked deterioration of the external financial position of many African countries. Various estimates have been made of Africa's external resource requirements. The Secretary-General's Advisory Group on Financial Flows for Africa, which, contrary to its mandate, considered the needs of only sub-Saharan Africa excluding Nigeria, estimated the requirements to be at least $5 billion per annum above their level in 1986-1987. Other estimates differ from that, depending on the country coverage, assumptions and methodology used, but in general suggest that assistance flows should be increased in support of the Programme of Action. Increased flows should be forthcoming within the period of the Programme of Action when disbursements from new multilateral initiatives and bilateral commitments are fully implemented.

(b) Trade and commodities

31. In many parts of the developing world and in Africa in particular, the recent growth of the global economy has not yet resulted in a gathering of momentum in the development process. Most African countries have found

it difficult to increase their export earnings, although those earnings are a critical factor in their economic recovery and development. Protectionism remains a constraint to efforts by African countries to expand their trade. Non-tariff measures against exports from African countries, some of which are applied progressively to processed commodities, are an impediment to the expansion of the region's exports. There remains scope for dismantling the non-tariff barriers that impede access by African countries to the markets of industrialized countries. The Uruguay round of global trade negotiations, agreed upon since the adoption of the Programme of Action, will provide an opportunity to address some of the difficulties that Africa faces in the area of international trade.

32. In spite of the recent improvement in some commodity prices, Africa's financial problems have been aggravated by the continuing decline of many commodity prices. Moreover, those prices continue to be at historically very low levels. This has been induced by a complex array of market forces, often beyond the control of African countries. A majority of African countries depend on no more than three export commodities for the bulk of their foreign exchange earnings, which serve as the principal source of external resources for development. Africa's total commodity earnings fell by $18 billion in 1986 and in 1987 remained below their 1985 level. It was agreed in the Programme of Action to deal urgently with commodity issues in the framework of an overall approach taking into account the special interests of the African countries. The matter was discussed at the seventh session of the United Nations Conference on Trade and Development. 8/ Changing global conditions have contributed to Africa's significant losses in foreign exchange from falling export earnings; this problem can be addressed only through a long-term and overall approach, including efforts to increase the capacity of African countries to process, market, distribute and transport non-traditional exports. Moreover, there has been an overall deterioration in the terms of trade of sub-Saharan African countries. Over the short and medium terms, a major sustained improvement in commodity prices is not expected. However, aid, debt-relief and direct foreign investment can only supplement trade in that respect.

33. Existing arrangements to provide compensatory financing for shortfalls in commodity earnings, such as the Stabex and Sysmin arrangements of the European Economic Community and the Compensatory Financing Facility of the International Monetary Fund, have been important but insufficient

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8/ See Proceedings of the United Nations Conference on Trade and Development, Seventh Session Vol. I, Report and Annexes, TD/351, part one, sect. I.

in themselves to deal with the magnitude and nature of the difficulties that Africa faces in commodity export markets. The speedy activation of the Common Fund for Commodities, in particular its Second Account, may help to overcome these difficulties. The new Compensatory and Contingency Financing Facility of the International Monetary Fund will also be available, to help to offset fluctuations in export earnings for those countries that are able to meet the conditions for its use.

(c) Debt

34. The external indebtedness of African countries has become one of the important factors constraining recovery and development in the continent, since debt servicing draws substantially on scarce financial resources that otherwise could be used for development purposes in the region. Debt-service obligations were equivalent to 29 per cent of export earnings in 1985, 43 per cent in 1986 and 39 per cent in 1987. Debt-service payments in these years were equivalent to 29 per cent, 29 per cent and 25 per cent of export earnings respectively.

35. The economic situation of many of the countries of the region and their low levels of income make the burden of debt particularly heavy. Most outstanding debt is to official bilateral and multilateral agencies. These agencies have responded with a number of initiatives to lighten the debt burden, particularly of the low-income African countries. Efforts have also been initiated to address the debt problems of African middle-income countries. The economic recovery and development of Africa calls for continued efforts in this area.

36. A number of bilateral donors have converted official development assistance loans to some African countries into grants - a process that began in 1978. Conversions to date affect only one sixth of Africa's official development assistance debt but cover more than half of that of the least developed countries of the region. Commitments have been made by a number of donors to make further conversions, and proposals have been made to further reduce the stock of debt. Progress has been made in providing lengthened grace and maturity periods in rescheduling in the Paris Club. Rescheduling does not reduce the stock of debt. Proposals are under discussion to provide additional relief. African countries have expressed three concerns regarding the process of rescheduling: the lack of a medium- and long-term perspective; rescheduling terms that are not adapted to debtors' capacity to pay; and the excessive duration of the rescheduling process itself.

37. Africa's continuing search for solutions to the problems of its external indebtedness prompted African Governments to hold an extraordinary summit at Addis Ababa from 30 November to 1 December 1987 devoted to Africa's external debt. This meeting resulted in the adoption of Africa's common position on external indebtedness. The Toronto Economic Summit meeting of the seven largest industrialized countries, held from 19 to

21 June 1988, 9/ addressed Africa's debt and development problems. The Summit achieved consensus on rescheduling official debt of the poorest developing countries that are undertaking internationally approved adjustment programmes, allowing official creditors to choose among several options. The likely overall impact of these measures is difficult to quantify because it is not clear yet what the total amount of relief would be. It is the shared responsibility of all parties concerned to develop lasting and durable solutions to the problems of Africa's external indebtedness.

(d) Quality and modalities of external assistance

38. Some progress has been made in improving the quality and modalities of external assistance, notably by improving the quality of bilateral flows; increasing the pace of disbursement; increasing the concessionality of assistance; and strengthening the co-ordination of donor programmes, notably through the expansion and improvement of consultative groups and United Nations Development Programme round-table meetings and through the introduction of "policy framework papers". Nevertheless, considerable scope remains for future improvement, particularly in relation to quick disbursement, wherever appropriate.

(e) Structural adjustment programmes

39. An important consideration relates to the developmental framework within which external assistance is provided. The implementation of structural adjustment programmes has given rise to general concerns, such as human, social and political consequences, as well as long-term financing needs for Africa's economic recovery and development efforts. These concerns have resulted in a dialogue on the nature and content of adjustment programmes. This has led to greater understanding and increased awareness of the need to ensure that such programmes form an integral part of a longer-term strategy for economic growth, incorporate a human dimension and do not have an adverse impact on vulnerable groups and would take due account of the specific economic situation and national development priorities of each country. This is now being reflected in actions by African Governments and donor agencies.

40. The efforts of the African countries to achieve sustained growth and development through structural reform are seriously constrained by the adverse external environment as it relates to the situation in Africa, in particular, with respect to export earnings, the debt service burden and concessional finance.

9/ A/43/435-S/19974, annexes.

2. Response of the United Nations system

41. The organizations of the United Nations system were invited to attach high priority to Africa in their global operations, taking into account the priorities of the Programme of Action. These organizations are now devoting more than 35 per cent of their resources to Africa, with expenditures amounting to more than $1 billion annually.

42. The Secretary-General has taken important actions to sensitize the international community to the serious economic situation in Africa, to ensure a co-ordinated response by the United Nations system to the implementation of the Programme of Action and to monitor and report on the implementation of the Programme of Action. Although the contributions of the organizations of the United Nations system were diversified and useful, they were, however, insufficient. In view of the deterioration in Africa's financial situation after the Programme of Action was adopted, the Secretary-General appointed a high-level Advisory Group on Financial Flows for Africa; its report was issued in February 1988. 10/ The SecretaryGeneral also established a United Nations Steering Committee with the participation of all relevant bodies of the United Nations to co-ordinate and monitor their response to the Programme of Action. In addition, an inter-agency task force, which acts as the operational arm of the Steering Committee, has been established under the chairmanship of the Executive Secretary of the Economic Commission for Africa.

3. South-South co-operation

43. Progress in co-operation between African countries and other developing countries has been registered in a number of areas such as trade, finance, technology and technical assistance. Some countries have contributed through bilateral assistance and technical co-operation among developing countries programmes. In the field of trade, the first round of negotiations of the global system of trade preferences among developing countries was completed at the ministerial meeting on the Global System of Trade Preferences among Developing Countries of the Group of 77 held at Belgrade from 11 to 13 April 1988. The participants in the Global System signed a contractual document that seeks to facilitate their trade relations. The potential for South-South co-operation is considerable, and every effort should be made by the international community to support the expansion and intensification of such co-operation.

10/ See Financing Africa's Recovery, Report and Recommendations of the Advisory Group on Financial Flows for Africa, United Nations, February 1988.

4. Non-governmental organizations

44. Most non-governmental organizations, both African and non-African are contributing to Africa's economic recovery and development through effective programmes at the grass-roots level. Significant resources are mobilized by non-governmental organizations, from both the general public and official aid institutions, for economic and social projects and programmes as well as for humanitarian activities. These efforts support the goals of the Programme of Action and deserve to be commended. One development has been the emergence and growing presence of the community of indigenous African non-governmental organizations as important actors in Africa's development effort. They are engaging in closer dialogue with African Governments, official development agencies and non-African non-governmental organizations in order further to clarify and define their own role in Africa's recovery and development. They are contributing their own experience to the implementation of development policies, especially those oriented towards the poorest groups.

III. MEASURES FOR ACCELERATING THE IMPLEMENTATION OF THE UNITED NATIONS PROGRAMME OF ACTION FOR AFRICAN ECONOMIC RECOVERY AND DEVELOPMENT 1986-1990

A. Role of the African countries

1. Agricultural development

45. In the course of implementing the Programme of Action, African countries should continue to concentrate their efforts on agriculture and its supporting sectors, the rehabilitation and development of agro-industries, the fight against drought, desertification and pests, and on the other sectoral priorities identified in the Programme.

46. It is important that development programmes give due recognition to the factors critical to increased agricultural production. These factors include investment in appropriate technology, research and development and agricultural inputs. African countries should intensify their efforts to establish early warning systems and national food security arrangements, diversify exports, improve export performance and maintain the incomes of farmers at appropriate levels.

47. The traditional role of women as producers of a significant proportion of food should be protected and strengthened when new agricultural production methods are introduced. More attention must be given to ensure that women have access to agricultural extension services, credit, land titles and, not least, new technologies.

2. Other sectors in support of agriculture

48. Increased attention and financial resources should be directed to the rehabilitation and maintenance of productive infrastructures in the sectors that support agriculture, including transport and communications.

Emphasis should continue to be placed on the production of agricultural tools, small-scale irrigation equipment, spare parts, fertilizers, pesticides and other chemicals. Greater attention should be given to rehabilitating, modernizing and expanding food-processing and other agro-based industries, by mobilizing the resources needed as well as providing training and credit in rural areas and promoting entrepreneurial development programmes.

3. Drought and desertification

49. The environment and natural resources should become important considerations in development co-operation. Environmental activities must go hand in hand with efforts to enhance economic growth and combat poverty, as there is a clear link between economic well-being and the quality of the environment. Better management of the natural resources base is a major factor in moving towards sustainable development. Action should be intensified to improve the economic situation and combat more effectively environmental degradation arising, in particular, from drought, desertification, deforestation, floods, locust and grasshopper infestation and the dumping of toxic and industrial wastes.

4. Human resources

50. Since many internal constraints are linked to weaknesses in education, training and management systems and since human resources play a key role in the long-term development prospects of the continent, the effective development and utilization of human resources of the region must be made a major objective of national policy. In consequence, the African countries should place greater emphasis on population policies and programmes, including the Kilimanjaro Programme of Action. 11/

51. The participation of people in the recovery and development process should continue to be broadened and made more effective, particularly through promoting increased access to development resources and benefits, creating favourable conditions for decentralized decision-making, encouraging greater entrepreneurship at all levels, and promoting individual initiative and private enterprise.

52. African countries and their development partners should give particular importance to human resources development, especially by integrating the human dimension in the designated implementation of structural adjustment programmes. As stated in the Programme of Action, the role and contribution of women in the development process are of crucial importance. However, women often remain at the periphery of economic systems and decision-making processes. There is thus an urgent need to strengthen the participation of women in all areas of the economy and at all levels of development planning and implementation. Moreover, African countries should allocate substantial resources to make it possible for women to participate more fully as active economic agents in development programmes, especially in rural areas.

11/ E/CONF.76/6, annex V.

5. Policy reforms

53. African countries should continue to pursue the balanced development of all sectors of their economy. Particular attention should be given to domestic economic management, the effective mobilization and utilization of domestic resources, in particular through the encouragement of savings, and action to contain or reverse capital flight with the support of the international community and to provide an environment conducive to direct investment. Special attention should be given to the rationalization of public investment policies, the development and effective implementation of appropriate human resource and population policies, industrial development, the improvement of international competitiveness and the diversification of production.

54. Structural adjustment programmes should be designed in such a way as to mitigate their adverse socio-economic effects, ensure that the human dimension is integrated in them, further improve the well-being of the poor and disadvantaged in African societies, notably through redirecting social and developmental expenditures, and make short-term stabilization and adjustment measures compatible with and built into long-term structural transformation.

55. Bearing in mind that African Governments have the central role to play in the design and implementation of their adjustment programmes, African Governments, with the support of their development partners, should give particular attention to the following so that adjustment programmes are based on a realistic and pragmatic approach of the problems of each country:

(a) In designing economic structural adjustment programmes, the following should be taken into account:

(i) the need for adjustment programmes to be realistic and consistent with projected financial resources and the external and internal environment;

(ii) harmonization of the programme with long-term objectives and strategies, with particular, continued emphasis on self-sustaining economic development and growth;

(iii) provision of compensatory programmes to minimize the adverse effects of redeployment of labour and the social costs of adjustment to the poor;

(iv) social infrastructure and human resource development, including environmental, cultural and political concerns;

(v) a pragmatic approach to the respective roles of the public and private sectors;

(b) Social indicators need to be developed to monitor the impact of these programmes on the population;

(c) The African countries should increase their efforts in the search for a viable conceptual and practical framework for economic structural adjustment programmes in keeping with the long-term development objectives and strategies at the national, subregional and regional levels;

(d) It is essential that the process of reform be implemented as soon as possible by those countries that have not yet done so and sustained and supported by those that have already started it.

6. Trade

56. African countries need to make special efforts in order to make African products more competitive in international markets, and to adopt appropriate policies and reinforce mechanisms to expand and diversify their exports.

57. Decisions on diversification are primarily the responsibility of African countries. These decisions should take into account the agricultural, industrial and other development objectives. Horizontal and vertical diversification of their economies, as well as increased participation in the processing, marketing and distribution of their commodities are long-term development objectives towards which African countries need to make further efforts in the context of intensified international co-operation between producers and consumers.

58. Adequate structures should be established or improved in order to promote the transfer, adoption, adaptation and the application of appropriate technologies, the development of communication infrastructure and the improvement of marketing networks and thus form a solid base for reinforcing the efficiency of exports.

59. African Governments should enhance their participation in all major international trade negotiations, notably the Uruguay round of multilateral trade negotiations, so as to better achieve a reduction in tariff and non-tariff barriers that have a negative impact on their ability to export.

7. Economic co-operation and integration

60. For the effective implementation of the Programme of Action, African countries should intensify their efforts towards economic co-operation and integration in accordance with the objectives of the Lagos Plan of Action for the Implementation of the Monrovia Strategy for the Economic Development of Africa. 12/ Among the measures that should be taken are the following:

(a) Strengthening and rationalization of existing subregional groupings, the creation, as appropriate, of new ones and their effective utilization for co-ordinated planning and development at the subregional level;

12/ A/S-11/14, annex I.

(b) Implementation of measures for the co-ordination of economic and social policies subregionally, as well as for joint planning and development of multicountry projects in key economic sectors;

(c) Promotion of intra-African trade in primary and processed commodities;

(d) Promotion of domestic policies that encourage the movement of goods, skills and capital among the African countries.

8. Peace and stability

61. Every effort must be made to achieve political settlements of international and regional conflicts so that scarce resources can be directed towards economic recovery and development. In this context, African countries should, with the support of the international community, intensify their efforts to end the acts of aggression and destabilization of the apartheid regime in South Africa, which is the single most destructive form of conflict in the region.

B. Role of the international community

1. Role of other countries

(a) Resource flows

62. Financial flows to Africa, in particular concessional flows, should be increased substantially, especially to sub-Saharan African countries, and provided on a continuous, predictable, assured and fast-disbursing basis, as appropriate. Such an increase in resources for Africa would be facilitated if all developed countries allocated 0.7 per cent of their gross domestic product to official development assistance.

63. Most resource flows to Africa will continue to be provided through official bilateral assistance and by multilateral institutions, but flows of private capital should also be encouraged. The following actions are particularly relevant:

(a) Donor countries, particularly those whose assistance to Africa has decreased in the past two years or is at a low level, should aim to increase their official development assistance to Africa in real terms. These resources should be provided on a sustained and fast-disbursing basis and directed to the priorities of recovery and development;

(b) Bilateral co-financing funds pledged under the World Bank's Special Programme of Assistance for low-income, debt-distressed countries should be made available as soon as possible, and donors should expedite the disbursement of the resources that they have agreed to provide for this purpose;

(c) The agreed commitments to an increase in the capital of the World Bank, to the fifth replenishment of the African Development Fund and to

the eighth replenishment of the International Development Association should be fulfilled without delay. In addition, negotiations on the third replenishment of the International Fund for Agricultural Development should be concluded promptly, and those on a ninth replenishment of the International Development Association should be undertaken as soon as possible;

(d) Efforts should be continued to improve the quality of bilateral flows, particularly through more rapid disbursement of assistance already pledged and increased concessionality, meeting the recurrent local costs of programmes and projects, using local equipment, indigenous competence and expertise and improving procedures, guidelines and formats for the procurement of equipment;

(e) The co-ordination of donor programmes, undertaken in close co-operation with the recipient countries, should be improved further. The important role of the consultative groups and round-table meetings in this regard should be enhanced.

(b) Trade and commodities

64. An increase in Africa's export earnings and a reduction in the adverse impact on African economies of year-to-year fluctuations in those earnings would both contribute to the attainment of sustained non-inflationary growth and assist African countries in their efforts to implement the Programme of Action. These improvements in export earnings would be facilitated by an international environment more favourable to African exports and by continued efforts to diversify exports.

65. Particular attention should be given to the following:

(a) The mid-term review of the Uruguay round scheduled for December 1988 should give a new impulse to the negotiations in the General Agreement on Tariffs and Trade, in which the concerns of African countries should be given particular attention. All countries involved in the Uruguay round should endeavour to improve the international trading environment, particularly as it concerns African exports. This applies especially to measures affecting processed and non-traditional exports because these offer the greatest hope for Africa to increase and diversify its export base in the longer run. There is need for greater liberalization of trade in agricultural products, and special attention should be given to the provisions of existing regimes concerning trade in tropical products of interest to African countries. In this connection, the Uruguay round should be used to develop improved discipline and rules, addressing the problems of market access, subsidies that directly or indirectly affect trade, and the harmonization of health and sanitary standards;

(b) Ongoing initiatives to make the Common Fund for Commodities fully operational should be completed in the shortest possible time, bearing in mind that a number of developmental programmes have already been approved or considered by producers and consumers, for possible financing under its Second Account;

(c) Programmes for the stablization of export earnings of African countries, along the lines of the Stabex and Sysmin, should be considered by other countries;

(d) The Compensatory and Contingency Financing Facility of the International Monetary Fund should have an enhanced role in responding to Africa's short-term external contingency needs;

(e) Within the context of the Programme of Action, the Secretary-General of the United Nations should consult with the United Nations Conference on Trade and Development, other relevant organizations and interested governments with a view to establishing a group of experts to undertake an in-depth assessment of the question of African commodities and the scope for export diversification.

(c) External debt

66. Many countries have taken measures to reduce the burden of Africa's external debt, and such action should be continued, in order to limit the burden that debt imposes on recovery, reform and development of the African countries. Debt rescheduling should be supplemented by other multilateral and bilateral measures. Every effort should be made by the international community to find lasting, durable and growth-oriented solutions that cover various categories of debt, various creditors and various debtor countries and that respond to Africa's development needs. Recognizing the major contribution that progress in this area would make to the success of the Programme of Action, ongoing initiatives, including those agreed upon at the Toronto Economic Summit in June 1988, should be pursued urgently, with the following being taken into account:

(a) Official bilateral debt

(i) non-concessional officially guaranteed debt and debt-service payments of low-income African countries should be rescheduled on more generous terms;

(ii) creditor countries' efforts to write off or otherwise remove the burden of official development assistance loans, inter alia, by repayment in local currencies, of low-income countries pursuing structural adjustment programmes, should be continued;

(iii) in addition, donor countries should increase the grant element in their future assistance to poorer African countries;

(b) Multilateral debt

(i) every effort should be made to ensure the speedy and full implementation of the initiatives of international financial institutions, especially the Enhanced Structural Adjustment Facility (of the International Monetary Fund), in order

to ensure that necessary concessional resource flows are available to low-income countries in Africa that are undertaking structural adjustment;

(ii) the proposal to establish a mechanism, financed by voluntary contributions, to alleviate, on a concessional basis, the outstanding World Bank debt of low-income countries that are pursuing reform measures should also be considered urgently;

(c) Commercial loans and credits

Various new methods of reducing the commercial debt of developing countries have been developed. The application of these methods to ease the commercial debt of African countries should be promoted.

67. The common position of Africa on addressing the problem of the continent on external debt adopted by the extraordinary summit at Addis Ababa in November and December 1987 13/ should be taken account of and seriously considered by the international community.

(d) Supporting reform within a broad development framework

68. African countries have the responsibility for formulating and implementing the economic reforms that form part of the process of recovery and longer-term development. In supporting these reforms, Africa's international partners should keep in mind this imperative for longer-term economic and social development. In this context, the human dimension should be a central concern. Intensified efforts should be made by all parties to develop and use appropriate indicators to measure and monitor closely the improvement of conditions of human well-being as reforms proceed. Instruments should also be developed to provide early warning of deteriorating human conditions.

2. Economic co-operation and integration

69. Special efforts should be made by the international community to support ongoing efforts of African countries to strengthen co-operation and the rapid achievement of economic integration in the region. International assistance to national projects should be complemented by greater support for regional and subregional projects, particularly in the priority sectors.

3. Impact of destabilization policies of South Africa

70. Recovery and development efforts in the countries of the sourthern African subregion continue to be frustrated by acts of aggression and destabilization by the South African regime. The international community as a whole should exert greater pressure on the apartheid regime to abolish its abhorrent policies and immediately stop its acts of destabilization and aggression in the region. In the absence of an end to these acts of

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13/ See A/43/596.

destabilization, increased assistance should be given to the member countries of the Southern African Development Co-ordination Conference in order to compensate for the costs of destabilization, to allow these countries to implement their recovery and development programmes effectively and to strengthen co-operation among them so that they can reduce their dependence on South Africa. Furthermore, provisions of relief assistance should be expanded to include the rehabilitation of populations affected by emergency situations in order to restore, inter alia, their productive capacities. In particular, contributions to the Action for Resisting Invasion, Colonialism and Apartheid (AFRICA) Fund and United Nations funds and other means to support the victims of apartheid and the front-line States should be continued and be increased, where possible.

4. Human resources

71. Responsibility for the development, planning and utilization of their human resources falls first and foremost on the African countries. The international community should support their efforts by providing the necessary financial and technical assistance to promote their human resource development.

5. South-South co-operation

72. South-South co-operation in supporting the implementation of the Programme of Action should be enhanced. Action already initiated in the agricultural sector should be intensified, and additional projects should be identified to assist African countries, either individually or collectively, in improving the production of staple food items. Particular emphasis should be placed on technological co-operation, especially in agro-related and consumer-goods industries, to enable Africa to benefit from the expertise and experience of other, more advanced developing countries. The same obtains for the exchange of experience and skills in the development of human resources. To achieve these objectives, individual countries and subregional and regional groupings in Africa and other developing regions should agree on specific plans of action, with time-bound and sectoral targets.

6. Support by the United Nations system

73. Co-operation and co-ordination among the various organizations of the United Nations system in the implementation and monitoring of the Programme of Action should be fruther strengthened. In order to ensure the capacity of the Secretary-General to carry out his responsibilities with regard to the Programme of Action, the secretariats of the United Nations Steering Committee and of the inter-agency task force should be given appropriate support for the duration of the Programme. Adequate funding, both budgetary and extrabudgetary, should be provided for this purpose.

74. At the national level, further efforts to improve co-ordination within the United Nations system should be taken in the context of the country-programming framework of the United Nations and the role of the resident

co-ordinator. In the programmes of the system, particular emphasis should be placed on the priority sectors for the recovery and development of Africa.

75. In view of the important role of non-governmental organizations in mobilizing and making the public more aware as regards development, the United Nations system should increase its co-operation with non-governmental organizations for the implementation of the Programme of Action.